

October 6, 2010

Utah Coal Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Subj: Permit Renewal for the PacifiCorp Deer Creek Mine, C/015/0018, Emery County, Utah.

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company ("Energy West") as mine operator, hereby submits an application for permit renewal for the Deer Creek Mine. The current permit term expires February 7, 2011. The said application conforms to the requirements set forth in R645-300-120 and R645-303-230 of the State of Utah R645- Coal Mining Rules and Regulations, revised March 2009.

As required in R645-303-232.250 and R645-301-830.300, the Means Historical Cost Index has been escalated to the year 2013. Because of a found error, the entire Deer Creek bond calculations have been corrected and included as an amendment with this submittal. The error was found in the Deer Creek Mine Revegetation bond estimate. Total acreage for the Left Fork Rilda Canyon Facility and the Deer Creek Waste Rock Site was switched. This error changes the 2003 total revegetation bond estimation for the Deer Creek Mine from \$235,117.00 to \$151,781.00. Appropriate escalations to the revised bond were made for 2005 and 2008. Two additional items were added to the bond demolition cost estimate. These were a guard rail that was constructed at the Deer Creek Waste Rock Site in 2007, and a reclosure switch that was constructed at the Rilda Canyon facilities in 2008. These issues were discussed and concurred with Mr. Pete Hess on September 27, 2010.

Also enclosed with this application is a proposed public notice, certificate of liability insurance, and evidence of a performance bond to be in effect for the operation required by R645-300-232.

Enclosed are five (5) copies of the permit renewal application. Appropriate C1/C2 forms are included for the bond escalation revision. If you have any questions or concerns regarding this application, please contact myself at (435) 687-4712 or Dennis Oakley at (435)687-4825.

Sincerely,

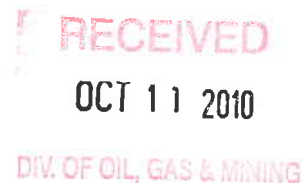


Kenneth Fleck
Manager of Geology and Environmental Affairs

Enclosures - C1/C2 Forms
Bond Amendment Information
Proposed Public Notice
Surety and Certificates of Liability

Cc: Scott Child(IMC - w/o enclosures)
File

File in: *C/015/0018 Incoming*
Date: *10/11/2010* Refer to:
☐ Confidential
☐ Shelf
☒ Expandable
For additional information


OCT 11 2010
DIV. OF OIL, GAS & MINING

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change ☒ New Permit ☐ Renewal ☐ Exploration ☐ Bond Release ☐ Transfer ☐

Permittee: PacifiCorp

Mine: Deer Creek Mine

Permit Number: C/015/0018

Title: Permit Renewal for the PacifiCorp, Deer Creek Mine, C/015/0018, Emery County, Utah.

Description, Include reason for application and timing required to implement:

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- ☐ Yes ☒ No 1. Change in the size of the Permit Area? Acres: to be decided later ☐ increase ☒ decrease.
- ☐ Yes ☒ No 2. Is the application submitted as a result of a Division Order? DO# _____
- ☐ Yes ☒ No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- ☐ Yes ☒ No 4. Does the application include operations in hydrologic basins other than as currently approved?
- ☒ Yes ☐ No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- ☐ Yes ☒ No 6. Does the application require or include public notice publication?
- ☐ Yes ☒ No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- ☐ Yes ☒ No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- ☐ Yes ☒ No 9. Is the application submitted as a result of a Violation? NOV # _____
- ☐ Yes ☒ No 10. Is the application submitted as a result of other laws or regulations or policies?
- Explain: _____
- ☐ Yes ☒ No 11. Does the application affect the surface landowner or change the post mining land use?
- ☐ Yes ☒ No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- ☐ Yes ☒ No 13. Does the application require or include collection and reporting of any baseline information?
- ☐ Yes ☒ No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- ☐ Yes ☒ No 15. Does the application require or include soil removal, storage or placement?
- ☐ Yes ☒ No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- ☐ Yes ☒ No 17. Does the application require or include construction, modification, or removal of surface facilities?
- ☐ Yes ☒ No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- ☐ Yes ☒ No 19. Does the application require or include certified designs, maps or calculation?
- ☐ Yes ☒ No 20. Does the application require or include subsidence control or monitoring?
- ☒ Yes ☐ No 21. Have reclamation costs for bonding been provided?
- ☐ Yes ☒ No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- ☐ Yes ☒ No 23. Does the application affect permits issued by other agencies or permits issued to other entities?

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

Kenneth Fleck
Print Name

Kenneth S. Fleck
Sign Name, Position, Date

Manager of Environmental Affairs

10/06/10

Subscribed and sworn to before me this 6th day of Oct., 2010

Chris M. Christensen
Notary Public

My commission Expires:

Attest: State of Utah) ss:

County of Emery



For Office Use Only:

Assigned Tracking
Number:

Received by Oil, Gas & Mining

RECEIVED
OCT 11 2010
DIV. OF OIL, GAS & MINING

Form DOGM - C2 (Revised March 12, 2002)